

Research Note

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MA Employment Situation: 4.3 percent 10,000 jobs added in June

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OVERVIEW

- The state's total unemployment rate increased to 4.3 percent in June from the May rate of 4.2 percent [according to the Executive Office of Labor and Workforce Development](#).
- Preliminary estimates suggest that Massachusetts added 10,000 jobs in June. Since last June the economy has added 65,900 jobs.
- The labor force participation rate (LFP) remained at 66.7 percent over the month; however, this represents a 1.8 percent increase from June 2016.
- Education and Health Services added 6,700 jobs over the month. Over the year, Education and Health Services gained 28,200 jobs.
- Information added 200 jobs over the month; over the year, this sector gained 1,300 jobs.
- Federal, state and local government combined gained 400 jobs (5,500 over the past 12 months).
- Professional, Scientific, Business Service subsector lost 2,200 jobs bringing year over year to 13,900.
- Construction lost 2,800 jobs in June but since last year the sector has added 1,800 jobs.
- In June, the manufacturing sector gained 500 jobs but posted a 12-month loss of 1,400 jobs.
- The May estimate was revised with a gain of 2,000 jobs as opposed to the 2,900 originally reported.

ANALYSIS

"During the first six months of 2017, Massachusetts has experienced the largest increase in the labor force on record, and the 66.7 labor force participation rate is now 3.9 points higher than the U.S. rate. These marked labor force gains should help ease labor market pressures and are signs of a growing economy in the Commonwealth," Labor and Workforce Development Secretary Rosalin Acosta said upon today's release. The increase in the unemployment rate is due to the fact more workers are rejoining the labor force. The LWD office says that 121,400 workers re-entered the market from June 2016. Only construction and professional services lost jobs over the month. But all other sectors posted strong growth with education and health services leading the way. Government continues to grow employment rising by 1.2 percent over the past year. The growth in Massachusetts jobs should ensure that state income tax revenues grow, thus alleviating some of the sales tax revenue drift. The often-neglected "Other Services" category continues to move with Professional, Scientific and Business Services as a percentage of total nonfarm employment, roughly 4 percent and 15 percent respectively. Both are strongly correlated. [The Bureau of Labor Statistics defines "Other Services"](#) as those jobs (except for Public Administration) that provide services such as machine repair, administering religious services, grantmaking, personal and pet care services as well as other establishments. Sector growth since the last recession has been mostly flat at 0.22 percent since 2007.

**Moving Together:
Professional-Scientific-Business Services &
Other Services as % of Total NonFarm Jobs in Massachusetts**

